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Employment Bulletin

Rhode Island
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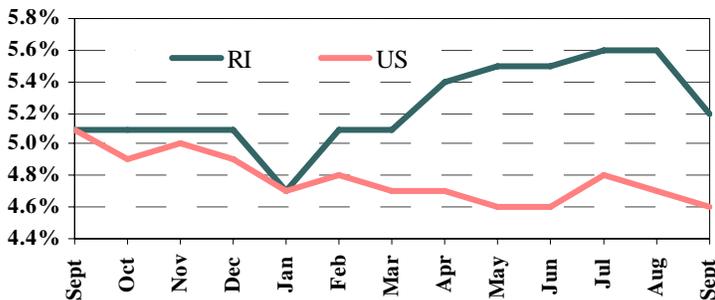
October 2006

Rhode Island Resident Employment Hits a New Record-High

The number of residents who were employed in the state hit a record high of 548,800 in September 2006. Also, the seasonally adjusted jobless rate for September dropped 0.4 of a percentage point to 5.2 percent from the August estimate of 5.6 percent. The number of unemployed Rhode Island residents declined by 2,200 over the month to 30,200 in September. A year ago, the jobless level was 29,000 and the unemployment rate stood at 5.1 percent.

Nationally, the unemployment rate for September inched down 0.1 of a percentage point to 4.6 percent. Compared to last year, the national jobless rate is down 0.5 of a percentage point. Rhode Island's unemployment rate for September remained above the national average.

RI & US Unemployment Rates
Seasonally Adjusted 2005 - 2006



Free Business Workshops Slated

The RI Department of Labor and Training (DLT) continues its free employer education seminar series with two sessions outlining federal and state tax credits that might reduce your company's income tax liability.

The seminar will be held twice: Tuesday, November 14th from 9:00 AM to 11:00 AM and again on Tuesday, November 28th from 9:00 AM to 11:00 AM. Both sessions are at the Department of Labor and Training in Cranston.



Previous workshops explored Unemployment Insurance, Temporary Disability Insurance, labor market conditions, disaster preparedness, and Workers' Compensation. Additional seminars will be planned in 2007.

For more on the DLT Employer Education Series, including dates and times for other seminars, go to www.dlt.ri.gov/EmployerSeminars.htm. Registration is required for all seminars. For more information on the upcoming Tax Credit seminar or to register, call 1-888-616-JOBS.

2006 Job Vacancy Survey Results

Rhode Island's private sector businesses had an estimated 10,949 job vacancies in Spring 2006. This translated into 3.5 job openings for every ten unemployed people between May and June 2006. An estimated 56 percent of these openings were full-time positions offering 35 hours or more per week, and 87 percent were permanent jobs.

Between May and June 2006, more than 60 percent of Rhode Island's estimated job openings, or 6,800 vacancies, were concentrated in three industry sectors: Health Care & Social Assistance (3,480), Accommodation & Food Services (2,001), and Retail Trade (1,347). The Manufacturing (965) and Finance & Insurance (584) sectors also reported large numbers of open positions. Visit the Job Vacancy Survey web site at www.dlt.ri.gov/lmi/jvs.htm to view the entire report.

Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Sep 06	Aug 06	Sep 05	Sep 06	Aug 06	Sep 05
Civilian Labor Force	579.0	576.8	572.2	151,799	151,698	150,083
Resident Employment	548.8	544.5	543.2	144,850	144,579	142,435
Unemployment	30.2	32.4	29.0	6,949	7,119	7,648
Unemployment Rate	5.2%	5.6%	5.1%	4.6%	4.7%	5.1%

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The Number of Jobs Increases Over the Month

Jobs at Rhode Island businesses increased by 500 (+0.1%) last month, bringing the September job count to 494,200 (seasonally adjusted). Over-the-month job gains in Educational & Health Services (+800); Financial Activities (+200); Professional & Business Services (+200); and Other Services (+100) offset job losses reported in Trade, Transportation & Utilities (-500); Government (-300); Construction (-100); Manufacturing (-100); and Leisure & Hospitality (-100).

The monthly gain of 800 workers noted in Educational & Health Services reflected additional hiring in private educational institutions as they begin the fall semester. Job losses in Trade, Transportation & Utilities employment were the result of cutbacks reported in retail trade.

Over the year, jobs were up 1,900 (+0.4%) from the 492,300 jobs reported in September 2005. Annual employment growth occurred in the Financial Activities (+2,300); Professional & Business Services (+1,200); Construction (+1,100); Leisure & Hospitality (+500); and Educational & Health Services (+100) sectors, offsetting losses in Manufacturing (-1,600); Trade, Transportation & Utilities (-800); Other Services (-300); and Government (-200).

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Sept 06	Aug 06	
Total Nonfarm	494.2	493.7	0.5
Construction	23.1	23.2	-0.1
Manufacturing	53.0	53.1	-0.1
Trade, Transportation & Utilities	79.1	79.6	-0.5
Financial Activities	36.9	36.7	0.2
Professional & Business Services	56.8	56.6	0.2
Educational & Health Services	96.3	95.5	0.8
Leisure & Hospitality	50.7	50.8	-0.1
Other Services	22.7	22.6	0.1
Government	64.7	65.0	-0.3

“We’re pleased to report that the number of working Rhode Islanders has hit a new record-high level, and that our unemployment rate, estimated at 5.2 percent in September, fell to its lowest level since March,” said DLT Director Adelita S. Orefice.

Hours and Earnings

In September 2006, the \$13.55 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly gain of twelve cents per hour and an over-the-year gain of thirty-five cents per hour. Manufacturing employees worked an average of 39.2 hours per week in September, up 0.2 of an hour over the month and down 0.1 of an hour since September 2005.

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From:			Weekly Hours			Hourly Earnings		
	Sept 06	Aug 06	Sept 05	Aug 06	Sept 05	Sept 06	Aug 06	Sept 05	Sept 06	Aug 06	Sept 05
Manufacturing	53.4	53.2	55.1	200	-1700	39.2	39.0	39.3	13.55	13.43	13.20
Durable Goods	35.8	35.5	36.2	300	-400	38.0	37.8	39.5	13.62	13.51	13.15
Fabricated Metal Product Mfg.	7.7	7.7	7.6	0	100	39.0	40.2	38.7	12.00	11.85	11.70
Computer & Electronic Product Mfg.	4.7	4.8	4.7	-100	0	38.1	37.8	40.4	14.68	14.51	14.15
Miscellaneous Manufacturing	9.5	9.3	10.6	200	-1100	38.0	36.3	37.5	11.30	11.41	11.00
Jewelry & Silverware	6.6	6.4	7.5	200	-900	40.1	38.9	38.0	10.45	10.55	10.17
Non-Durable Goods	17.6	17.7	18.9	-100	-1300	41.3	41.2	39.0	13.42	13.30	13.30
Chemical Manufacturing	4.3	4.3	4.3	0	0	40.1	42.7	41.7	15.47	15.61	15.55
Plastics & Rubber Products Mfg.	2.8	2.7	2.9	100	-100	42.0	41.7	41.1	14.48	14.33	14.76

The employment figures in this section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Not seasonally adjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm.

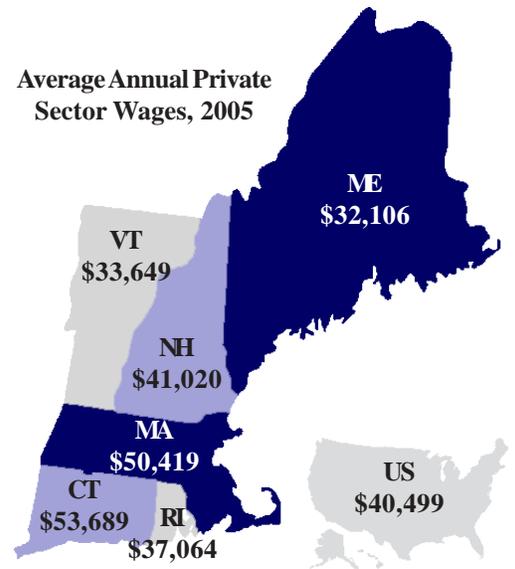
Current month’s figures are preliminary and subject to change.

An Overview of Average Annual Wages – Private Sector 2005

Rhode Island's private sector employed 414,907 workers in 2005 and paid over \$15.3 billion in wages. Private sector employees earned an average annual wage of \$37,064 in 2005, a 3.1 percent (+\$1,105) increase from the 2004 average of \$35,959. The 2005 average annual wage in the Ocean State was 9.3 percent less than the national average of \$41,020 and ranked as the fourth highest wage in New England. At \$53,689, Connecticut reported the highest average annual private sector wage in the northeast, more than \$13,000 higher than the United States average. Massachusetts workers earned an average of \$50,419, followed by New Hampshire, whose average annual wage of \$41,020 was slightly higher than the rest of the nation. Private industry in Vermont (\$33,649) and Maine (\$32,106) paid the lowest average annual wages in New England. The statewide private sector wages in Rhode Island, Vermont, and Maine were all below the national average in 2005.

The highest paying industry sector in Rhode Island was Management of Companies & Enterprises, whose employees earned \$84,573 on average. The Utilities (\$66,439), Information (\$61,433), Finance & Insurance (\$56,611) and Professional & Technical Services (\$54,734) industry sectors also reported average annual wages well above the state's private sector average. In comparison, Rhode Island's Accommodation & Food Services workers earned an average of just \$14,729 in 2005, followed by Arts, Entertainment & Recreation (\$21,062), Other Services (\$24,188), Retail Trade (\$24,904), and Administrative & Waste Services (\$25,428). Many of the industries in these sectors are seasonal in nature and rely on part-time and low-skilled labor.

Generally, average annual wages on the industry sector level were higher in neighboring Connecticut and Massachusetts, while private industry wages in Maine and Vermont lagged behind the Ocean State. There were some exceptions. For instance, Rhode Island reported the lowest average annual wage among the six New England states in both Manufacturing (\$41,745) and Transportation & Warehousing (\$32,007).



In two industry sectors, Rhode Islanders earned an average annual wage above the national average. Construction workers were paid \$44,792 on average in 2005, compared to the United States average of \$42,100. Educational Services (\$39,088) was the remaining sector to earn an annual wage above the national average of \$36,447 for that sector. However, most of the eighteen sectors measured in the state paid annual wages below the United States average in 2005.

2007 Annual Refiling Survey Notice

Once a year, the LMI unit conducts an *Annual Refiling Survey (ARS)* of approximately one-third of all Rhode Island businesses. The purpose of the survey is to review and update previously assigned North American Industry Classification System (NAICS) codes and to provide or verify the physical location of the business.

NAICS is an industry classification system that groups establishments into industries based on the activities in which they are primarily engaged. The NAICS code is assigned to all businesses, public or private. The NAICS code acts as a statistical tool to measure the economic health of industries both local and statewide. NAICS makes it possible to determine current employment wage trends and economic forecasts by industry. The NAICS code helps determine statistically how industries are growing or shrinking and how occupations within industries are emerging or declining.

This month, the LMI unit will be conducting the first mailing for the 2007 ARS. If you receive an **Industry Verification Form, (BLS 3023)**, we are asking that you complete this form and return it to the LMI unit. A high response rate is essential for accurate statistical data. Once the survey is completed, you should not have to participate for the next two years.

If your business receives a form, you can now respond by telephone using the Touchtone Response System (TRS). If your company is TRS eligible, simply follow the instructions on the back of the cover letter. For those not eligible for TRS, a postage paid envelope is provided for a mailed return. Thank you for your assistance!

**Consumer Price Index for
All Urban Consumers**

				% Change
	Sept 06	Aug 06	Sept 05	Prev. Year
All Items	202.9	203.9	198.8	2.1%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

Amendments to Labor Laws in Effect

Amendments to Existing Labor Laws, in effect July 1, 2006 (changes are underlined):

- **Section 28-3-14. Maximum continuous employment without mealtime.**

All employees are entitled to a twenty (20) minute mealtime within a six (6) hour work shift, and a thirty (30) minute mealtime with an eight (8) hour work shift. An employer shall not be required to compensate an employee for this mealtime. The provisions of this section shall not apply to: (a) an employer of health care facilities licensed in accordance with chapter 23-17 of the general laws; or (b) an employer who employs less than three (3) people on any shift at the worksite. [This Act had been repealed last year.]

- **Section 28-48-1 of the General Laws in Chapter 28-48 entitled “Rhode Island Parental and Family Medical Leave Act” is hereby amended to read as follows:**

[This Act amends statutes on family leave, health insurance coverage, and income tax to include domestic partners for state employees only.]

28-48-1. Definitions. – (5) “Family member” means a parent, spouse, child, mother-in-law, father-in-law, or the employee himself or herself, and with respect to employees of the state as defined in subsection (3) (ii), shall include domestic partners as defined in section 36-12-1(3)

36-12-2.4. Health insurance benefits - COBRA. – For purposes of fulfilling any employer obligations under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), 42 U.S.C. section 403 et seq., a domestic partner shall be deemed a dependent of an employee as defined herein.

44-30-12. Rhode Island income of a resident individual. - (6) Amounts deemed taxable income to the taxpayer due to payment or provision of insurance benefits to a dependent, including a domestic partner pursuant to chapter 12 of title 36 or other coverage plan.

To read these Acts in their entirety or for a definition of domestic partner (General Law Title 36 Chapter 12), visit the Rhode Island General Assembly web site at www.rilin.state.ri.us

**City & Town
Unadjusted Unemployment Rates for September**

	2006	2005		2006	2005
Barrington	3.4	4.2	Newport	3.8	4.3
Bristol	3.8	4.2	North Kingstown	3.5	3.6
Burrillville	4.1	4.2	North Providence	4.7	5.0
Central Falls	6.4	7.2	North Smithfield	4.2	3.8
Charlestown	4.0	4.1	Pawtucket	5.6	6.0
Coventry	4.0	4.9	Portsmouth	3.6	3.7
Cranston	4.8	5.3	Providence	5.8	6.6
Cumberland	4.0	4.3	Richmond	2.8	3.0
East Greenwich	4.6	4.9	Scituate	4.1	4.8
East Providence	4.6	5.2	Smithfield	4.4	4.5
Exeter	3.8	4.1	South Kingstown	3.9	4.2
Foster	4.0	4.9	Tiverton	4.3	4.6
Glocester	3.5	4.0	Warren	4.4	5.0
Hopkinton	4.0	4.5	Warwick	4.3	4.6
Jamestown	3.1	3.4	West Greenwich	3.6	3.8
Johnston	4.9	4.9	West Warwick	4.6	5.4
Lincoln	3.8	4.2	Westerly	3.8	3.5
Little Compton	3.5	4.4	Woonsocket	4.9	5.6
Middletown	3.6	3.8			
Narragansett	3.2	3.3	State of R.I.	4.5	5.0
New Shoreham	2.2	2.9	United States	4.4	4.8

Unemployment Insurance Claims Activity

	Sept 2006	Aug 2006	Sept 2005	% Change		Year to Date		
				Aug 06	Sept 05	2006	2005	% Change
Initial Claims	4,306	4,886	3,870	-11.9%	11.3%	56,017	56,436	-0.7%
Number of Payments	35,365	49,087	35,934	-28.0%	-1.6%	462,314	483,934	-4.5%
Amount of Payments (gross millions)	\$11.8	\$15.5	\$11.8	-23.9%	0.0%	\$153.1	\$157.6	-2.9%
Exhaustions (Final Payments)	905	984	945	-8.0%	-4.2%	10,713	11,553	-7.3%



Average Annual Private Sector Wages by Industry Sector, 2005

	<u>US</u>	<u>RI</u>	<u>CT</u>	<u>ME</u>	<u>MA</u>	<u>NH</u>	<u>VT</u>
Total Private	\$ 40,499	\$ 37,064	\$ 53,689	\$ 32,106	\$ 50,419	\$ 41,020	\$ 33,649
Natural Resources & Mining	\$ 39,089	\$ 30,557	\$ 29,620	\$ 28,859	\$ 45,510	\$ 31,616	\$ 27,473
Utilities	\$ 75,211	\$ 66,439	\$ 87,620	\$ 58,857	\$ 87,220	\$ 74,964	\$ 80,832
Construction	\$ 42,100	\$ 44,792	\$ 51,422	\$ 35,433	\$ 53,483	\$ 45,245	\$ 36,326
Manufacturing	\$ 49,286	\$ 41,745	\$ 63,035	\$ 42,110	\$ 62,475	\$ 52,097	\$ 46,316
Wholesale Trade	\$ 55,266	\$ 54,347	\$ 72,372	\$ 45,247	\$ 67,229	\$ 66,391	\$ 45,953
Retail Trade	\$ 24,930	\$ 24,904	\$ 28,751	\$ 22,086	\$ 27,478	\$ 26,035	\$ 23,748
Transportation & Warehousing	\$ 39,511	\$ 32,007	\$ 40,664	\$ 32,684	\$ 38,536	\$ 33,403	\$ 32,780
Information	\$ 62,832	\$ 61,433	\$ 63,456	\$ 40,258	\$ 76,447	\$ 61,715	\$ 39,619
Finance & Insurance	\$ 73,368	\$ 56,611	\$ 128,165	\$ 48,463	\$ 98,555	\$ 66,383	\$ 54,580
Real Estate & Rental & Leasing	\$ 39,386	\$ 35,267	\$ 46,702	\$ 28,868	\$ 50,281	\$ 40,767	\$ 29,554
Professional & Technical Services	\$ 65,274	\$ 54,734	\$ 75,970	\$ 46,917	\$ 83,548	\$ 62,588	\$ 52,264
Mgmt of Companies & Enterprises	\$ 85,262	\$ 84,573	\$ 130,982	\$ 59,262	\$ 80,984	\$ 93,149	\$ 63,082
Administrative & Waste Services	\$ 28,111	\$ 25,428	\$ 32,291	\$ 25,976	\$ 34,237	\$ 33,018	\$ 25,350
Educational Services	\$ 36,447	\$ 39,088	\$ 44,918	\$ 33,451	\$ 47,464	\$ 38,348	\$ 34,792
Health Care & Social Assistance	\$ 37,829	\$ 36,516	\$ 41,748	\$ 33,645	\$ 43,082	\$ 39,418	\$ 32,499
Arts, Entertainment & Recreation	\$ 28,113	\$ 21,062	\$ 25,456	\$ 17,952	\$ 30,338	\$ 19,039	\$ 18,215
Accommodation & Food Services	\$ 15,165	\$ 14,729	\$ 16,756	\$ 14,003	\$ 17,650	\$ 15,324	\$ 16,008
Other Services	\$ 25,884	\$ 24,188	\$ 27,704	\$ 23,917	\$ 26,106	\$ 28,248	\$ 24,883

A Product of: *Rhode Island Department of Labor and Training, Labor Market Information*

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Source: Quarterly Census of Employment and Wages, developed through a cooperative program between the State of Rhode Island and the U.S. Bureau of Labor Statistics.